

## Reporters Expose AT&T's Astroturf Funding Practices

Deny the AT&T T Mobil merger don't give into corporate shills.

Beltway insiders were hardly shocked when Bloomberg News reported that AT&T contributed nearly \$1,000,000 to Republican members of Congress who signed a letter supporting its bid to acquire T-Mobile. After all, AT&T has a long history of throwing money around Washington, wining and dining policymakers to promote its corporate agenda. Its financial support for outside groups that subsequently support its goals is also well documented.

But two recent stories published by outside-the-Beltway newspapers exposed just how far AT&T is willing to go, raising questions about corruption by elected officials or the use of nonprofits to funnel money to groups supporting its corporate agenda.

In Tallahassee, Fla., Democratic Mayor John Marks has been embroiled in a political scandal for failing to disclose his financial ties to the Alliance for Digital Equality, an Atlanta-based nonprofit. The city partnered with ADE on a \$1.2 million federal grant project to foster broadband adoption in poorer communities.

When Jeff Burlew, a senior government editor for the Tallahassee Democrat, took a closer look at the group and the mayor's involvement with it, he confirmed what many critics of ADE have long suspected: The organization is nothing more than a front group for AT&T.

In an extensive exposé published last Sunday, Burlew reported that ADE received \$7.36 million ? or 99 percent of its funding ? from AT&T from 2007 to 2009 and spent nearly \$1 million paying officers and members of its board of advisers. The mayor was paid \$86,000 over several years to serve as an advisor to ADE but failed to disclose this conflict of interest while applying for the federal broadband grant.

This is not the only apparent conflict for Marks, who has a financial stake in the company. Since the early 1990s, Marks has worked as an attorney and consultant for AT&T and BellSouth, according to the Democrat. The mayor claims he was unaware that AT&T funded the ADE.

The mayor is now facing a complaint from the Florida Commission on Ethics, and the FBI has reportedly subpoenaed emails between the city and ADE. Mayor Marks has since resigned his post with ADE and the city has returned the federal grant, unspent.

Over the last several years, ADE has supported policies that directly benefit AT&T. The group parroted AT&T's position on Network Neutrality, opposing open Internet protections. It also supports

the merger between AT&T and T-Mobile, which a lawsuit from the Department of Justice states is in violation of antitrust laws.

In every instance, ADE is doing AT&T's bidding while claiming to represent the interests of communities of color.

"The imagery is ADE is helping out the poor," said Robert Eger III, an associate professor at the Reubin O'D. Askew School of Public Administration and Policy at Florida State University, in an interview with Burlew. "The fact is ADE is a nonprofit organization that lobbies. Its main financial support is from AT&T. If AT&T withdrew its money, ADE would no longer exist."

Rashad Robinson, executive director of ColorOfChange, added, "At the end of the day, [ADE] is putting a black face on corporate talking points

AT&T isn't just targeting African-American organizations. The company's financial arrangement with a Latino group — Hispanic Technology and Telecommunications Partnership — also raises ethical questions.

Michael Barajas, a reporter for the San Antonio Current, published a lengthy investigation last week about political infighting at the American G.I. Forum, a Latino veterans group. Members accuse board leaders of using the organization to shill for corporations like AT&T, Boeing and big oil companies.

According to the article, board members are accused of funneling money from AT&T through the G.I. Forum to influential Washington lobbyist Manny Mirabal, who founded HTTP.

Barajas reports that AT&T awarded the G.I. Forum an initial \$100,000 grant, but the money was redirected to HTTP, which backed AT&T's position on Net Neutrality and the T-Mobile takeover. According to the article, the G.I. forum only received 10 percent of the money; the rest was turned over to HTTP.

HTTP's relationship with AT&T is especially troubling because the group is supposed to represent a coalition of many highly respected Latino civil rights groups, like the League of United Latin American Citizens and the Hispanic Federation.

ADE and HTTP are not the only groups that AT&T supports. AT&T, its employees and the AT&T Foundation (which is headed, not coincidentally, by AT&T's top lobbyist and longtime political operative, Jim Cicconi) awarded close to \$150 million to civil rights groups and other civic organizations in 2010.

Corporations' influence over the civil rights groups they support financially is understandably a sensitive subject. But the topic has come under greater scrutiny as cable and phone companies have spared no expense to win the support of their political agendas.

And it goes beyond AT&T. Comcast revealed last year that the company had awarded \$1.8 billion in cash and in-kind contributions to civic organizations, including civil rights groups, over the past decade.

But there has been backlash to the corporate influence on civil rights groups. Earlier this year the president of the Gay and Lesbian Alliance Against Defamation resigned after offering the organization's support for the AT&T/T-Mobile merger.

The move outraged many gay activists, who learned that a board member who was a former AT&T executive had influenced GLAAD's official position.

The stories about AT&T's financial arrangements with ADE and HTTP should trouble people of color and make them question whether their interests are truly being represented in Washington.